



TOP 10 Personal Income Tax Errors that Delay Return Processing – 2008

CATEGORY	ERROR	SOLUTION
■ Income	Incorrect adjusted gross income amount (Rank 5/10)	Check adjusted gross income amount on Line 16 of Form 540 2EZ, Line 17 of Form 540A, 540, or 540NR to ensure correct amount is used or computed correctly.
	Incorrect standard or itemized deduction amount used based on filing status (Rank 2/10)	See Line 18 of Form 540A, 540, or 540NR for correct standard deduction amount or instructions and worksheet for correct itemized deduction amount.
■ Tax	Incorrect total tax amount computed which can affect computation on any applicable schedule (Rank 3/10).	Check total tax amount on Line 21 of Form 540 2EZ, Line 34 of Form 540A or 540, or Line 42 of Form 540NR to ensure amount is computed correctly. Check any affected schedule to ensure amount is correctly transferred over.
	Incorrect total tax amount computed because of an error in calculating total tax or total credits (Rank 4/10)	1) Check total tax amount on Line 21 of Form 540 2EZ, Line 34 of Form 540A or 540, or Line 42 of Form 540NR to ensure amount is computed correctly. 2) Check total credits on Line 20 of Form 540 2EZ, Line 29 of Form 540A or 540, or Line 36 of Form 540NR (long form) to ensure amount is computed correctly.
■ Payments and Credits	Estimated tax payment amount claimed is different from total amount received (Rank 1/10)	Check personal tax records for estimated tax payments made to the Franchise Tax Board . Also, check Line 46 on last year's Form 540A or 540 or Line 53 of Form 540NR (long form) to verify amount requested to be applied to this year's estimated tax is correct. Corrections made to last year's state tax return can affect total amount paid for this year. Refer to any FTB notice received that shows these adjustments. Verify estimated tax payments on our website at ftb.ca.gov under My FTB Account .
	Incorrect total tax amount computed based on adjusted gross income (AGI), filing status, or dependents (Rank 6/10)	1) Confirm correct filing status is used. 2) Check dependents claimed on Line 10 of Form 540A, 540, or 540NR to ensure correct number of dependents is used, all names are listed, and amount is computed correctly. 3) Check CA AGI Line 17 Form 540A, 540, or 540NR to ensure correct amount is computed.
	Incorrect total tax amount used based on incorrect total exemption amount transferred, incorrect exemption number or amount computed, or incorrect total exemption amount claimed based on adjusted gross income (Rank 7/10)	1) Check exemption credit amount on Line 21 of Form 540A or 540, Line 26 of Form 540NR (short form), or Line 25b of Form 540NR (long form) to ensure correct amount is transferred from Line 11 of Form 540A, 540, or 540NR. 2) Check exemptions to ensure correct number is used and check amount on Line 11 of Form 540A, 540, or 540NR to ensure amount is computed correctly. 3) If federal AGI amount on Line 13 of Form 540A, 540, or 540NR is greater than \$163,187, see instructions for Line 21 of Form 540A or 540 to claim correct amount.
	Incorrect estimated tax amount requested to be transferred to next year's taxes (Rank 8/10)	Corrections made to this year's tax return can affect total estimated tax payment amount claimed for next year. Refer to any FTB notice received that shows these adjustments. Verify estimated tax payments on our website at ftb.ca.gov under My FTB Account .
	Excess State Disability Insurance (SDI) or Voluntary Plan Disability Insurance (VPDI) amount claimed was not substantiated based on Form W-2 or other wage document attached to return (Rank 10/10)	See instructions for Line 39 of Form 540 or Line 46 of Form 540NR (long form) then determine if excess SDI or VPDI applies. If yes, be sure to attach appropriate document to substantiate amount claimed.
■ Amended Return	Original refund amount received does not match original refund amount shown on amended return (Rank 9/10)	Check original refund amount on Line 28 of Form 540 2EZ, Line 66 of Form 540A or 540, or Line 73 of Form 540NR to put on amended return. Exception: If refund was adjusted after original return was filed, use adjusted refund amount on amended return.